

CITY OF COCONUT CREEK BUSINESS IMPACT ESTIMATE

1. Summary of Ordinance No. 2025-001:

The City of Coconut Creek manages a development impact fee program to ensure that new developments contribute their fair share of the costs to fund capital improvements necessary to maintain adequate levels of service, consistent with the City's Comprehensive Plan and Florida Law.

This ordinance adopts the City of Coconut Creek Impact Fee Study, dated January 15, 2025, and amends the City's Land Development Code to update the Fire-Rescue, and Law Enforcement Impact Fees and to create a new impact fee for Parks and Recreation Facilities.

2. Estimate of the Direct Economic Impact of the proposed ordinance on private, for-profit businesses in the City:

a. An estimate of direct compliance costs that businesses may reasonably incur if the ordinance is enacted.

The current Fire-Rescue and Law Enforcement Impact Fees will be revised to reflect both increases and decreases to those fee rates depending on the type of business. However, per Florida Statutes, impact fee rates that are increasing cannot exceed more than 50% above the current impact fee rates without a super-majority vote of the Commission and the recommendation is that no impact fee rate increase more than 50%. The fees that are increasing will be phased in over four (4) years where applicable.

Applicants seeking to develop vacant land or make improvements to real property (developers) for new residential growth will now pay a new parks and recreation impact. Payment for this impact fee will be required at the time of building permit issuance of each new residential dwelling unit. The new parks and recreation fees are \$5,282 for single-family less than 2,500 square feet; \$6,225 for single-family greater than 2,500 square feet; \$3,282 for multi-family; and \$4,791 for mobile homes. Expansions to an existing single family home, from less than 2,500 square feet to more than 2,500 square feet, will be required to pay an impact fee in the amount of \$943 – to comply with the impact fee applicable to the larger home.

The proposed ordinance will not impose any additional fees on existing businesses, unless a business chooses to change to a different land use or expand its business. Applicants seeking to change a use or expand an existing use will be required to pay the new impact fees, which decrease for a number of uses, particularly industrial type uses, and increase for a number of uses. An estimate of direct compliance would require a detailed proposal for new development or business expansion, including density and intensity and types of uses.

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b. Identification of any new charge or fee on businesses subject to the proposed ordinance or for which businesses will be financially responsible.

In addition to the current impact fees for fire-rescue and law enforcement, applicants seeking to develop land or make improvements to real property (developers) for new residential growth will now pay a new parks and recreation impact. Payment for this impact fee will be required at the time of building permit issuance for each new residential dwelling unit. The new parks and recreation fees are \$5,282 for single-family less than 2,500 square feet; \$6,225 for single-family greater than 2,500 square feet; \$3,282 for multi-family; and \$4,791 for mobile homes. This fee, while new, replaces an existing land dedication requirement, which will be deleted.

c. An estimate of the City's regulatory costs, including an estimate of revenues from any new charges or fees that will be imposed on businesses to cover such costs.

It is not anticipated to increase the City's regulatory costs beyond the costs to collect and administer the City's current impact fee program. Where refunds are provided to an applicant, the City will keep 3% or \$1,000, whichever is less, to offset the costs to collect and administer the new impact fee program. Because impact fees are paid by applicants when they are ready to pull a building permit, it is not possible to anticipate when a private development applicant will propose new development or will pull related building permits and therefore estimate revenues.

3. A good faith estimate of the number of businesses likely to be impacted by the ordinance.

Eight (8) businesses/developers, including MainStreet, proposing new development during fiscal year 2025.

4. Any additional information the City Commission may determine to be useful.

N/A.

NOTE: Pursuant to Section 166.041, F.S., the Business Impact Estimate does not need to be prepared for the following types of ordinances: 1) Ordinances required for compliance with federal or state law or regulation; 2) Ordinances relating to the issuance or refinancing of debt; 3) Ordinances relating to the adoption of budgets or budget amendments including revenue sources necessary to fund the budget; 4) Ordinances required to implement a contract or an agreement, including, but not limited to, any federal, state, local, or private grant, or other financial assistance accepted by the City; 5) Emergency ordinances; 6) Ordinances relating to procurement; or 7) Ordinances enacted to implement the following: a. Development orders and development permits, as those terms are defined in Section 163.3164, and development agreements, as authorized by the Florida Local Government Development Agreement Act under Sections 163.3220-163.3243; b. Comprehensive plan amendments and land development regulation amendments initiated by an application by a private party other than the City; c. Sections 190.005 and 190.046, F.S.; d. Section 553.73, F.S., relating to the Florida Building Code; or e. Section 633.202, F.S., relating to the Florida Fire Prevention Code.